
Public Utilities Commission of the State of California

Results of Public Agenda 3124

Meeting Held on Thursday, December 4, 2003 10:00 a.m.

San Francisco, California

Commissioners

Michael R. Peevey, President

Geoffrey F. Brown

Susan P. Kennedy

Loretta M. Lynch

Carl W. Wood

Website: <http://www.cpuc.ca.gov>

Scheduled Commission Meetings

505 Van Ness Avenue, San Francisco

<i>Ratesetting Deliberative Meeting*</i> <i>Room 5305</i> <i>(1:30 p.m.)</i> <i>Closed to the Public</i>	<i>Commission Meeting</i> <i>Auditorium</i> <i>(10 a.m.)</i> <i>Open to the Public</i>
Tuesday, December 16, 2003 (San Francisco) (Will Be Held)	Thursday, December 18, 2003 (San Francisco)
Monday, January 05, 2004 (San Francisco)	Thursday, January 08, 2004 (San Francisco)
Friday, January 16, 2004 (San Francisco)	Thursday, January 22, 2004 (San Francisco)

**Ratesetting Deliberative Meeting dates are reserved as noted but will be held only if there are ratesetting matters to be considered and a Commissioner has requested that a Ratesetting Deliberative Meeting be held.*

For further information contact the Public Advisor
(415) 703-2074 E-mail: public.advisor@cpuc.ca.gov



This location is accessible to people with disabilities. If specialized accommodations for the disabled are needed, e.g. sign language interpreters, please call the Public Advisor at (415) 703-2074 or TTY# (415) 703-5282 or toll free # 1-866-836-7825 three business days in advance of the meeting.

PUBLIC COMMENT

The following items are not subject to public comment:

- All items on the closed session agenda; these are HEX and EX items.
-

Public Comment:

Re 49:

Adam Browning, Vote Solar, Berkeley, CA
Craig Stevens, Solar Buzz, Inc, San Francisco, CA
Dan Pellegrini, CCEnergy, San Rafael, CA
David Hochschild, The Vote Solar Initiative, San Francisco, CA
Gary Gerber, Sun Light & Power Co., Berkeley, CA
Howard Wenger, Walnut Creek, CA
Janice Lin, Berkeley, CA
Juliette Anthony, Sun Power & Geothermal Energy, San Rafael, CA
Leon Woods, World Water, Sacramento, CA
Mark Liffman, Sacramento, CA
Matt Lafferty, Sacramento, CA

Consent Agenda

Items shown on the Consent Agenda will be taken up and voted on as a group in one of the first items of business of each Commission meeting. Items may be removed from the Consent Agenda for discussion on the Regular Agenda at the request of any Commissioner prior to the meeting.

Orders and Resolutions

2

Res ALJ 176-3124

[2794]

Ratification of preliminary determination of category for proceedings initiated by application. The preliminary determinations are pursuant to Article 2.5, Rules 4 and 6.1 of the Commission's Rules of Practice and Procedure.

Outcome Approved

Yes: (Brown, Kennedy, Peevey, Wood)

No: (none)

Abstain: (none)

Absent: (Lynch)

3

[2820]

A03-06-037 - Brenda Mason, dba A Car 4 Kids (Applicant).

This decision authorizes Applicant to operate as a passenger stage corporation to transport children between points in Contra Costa, Alameda, and San Francisco Counties, and to establish a zone of rate freedom. This proceeding is closed.

(Exam Clark)

Agenda 3121, Item 27 10/16/2003 (Staff);

Agenda 3122, Item 9 10/30/2003 (Staff);

Agenda 3123, Item 5 11/13/2003 (Staff)

Outcome Withdrawn

Yes: (none)

No: (none)

Abstain: (none)

Absent: (none)

4

[2845]

Res E-3850 - Southern California Edison Company (Edison).

This resolution approves Edison's investment management agreements with Alliance Capital Management L.P. and State Street Global Advisors. (Advice Letter 1748-E, filed September 22, 2003)

Agenda 3122, Item 14 10/30/2003 (Lynch)

Outcome Approved

Yes: (Brown, Kennedy, Peevey, Wood)

No: (none)

Abstain: (none)

Absent: (Lynch)

6

[2894]

A03-04-002 - Citizens Telecommunications Company of California, Inc., dba Frontier Communications of California (Citizens).

This decision requires Citizens to reimburse the Commission for the costs of an audit to be performed by consultants working for the Commission's Office of Ratepayer Advocates. In addition, the decision adopts an all-party settlement regarding modifications of the New Regulatory Framework (NRF) reporting requirements. Citizens is ordered to refile no later than 90 days after final decisions are adopted in R01-09-001 and I01-09-002, the NRF review for SBC California and Verizon California Incorporated. This proceeding is closed.

(Comr Peevey - ALJ O'Donnell)

Outcome Held (12/18/03, Consent Agenda. Further review.)

Yes: (none)

No: (none)

Abstain: (none)

Absent: (none)

7

[2896]

C02-06-037 - Saul Martinez vs. Southern California Edison Company.

This decision reopens this proceeding to order the distribution to the complainant of the sum of \$19,105.81 deposited with the Commission pursuant to Pub. Util. Code §1702.2. This proceeding is closed.

(Comr Brown - ALJ Simon)

Outcome Signed

D03-12-002

Yes: (Brown, Kennedy, Peevey, Wood)

No: (none)

Abstain: (none)

Absent: (Lynch)

8

[2897]

R01-10-024 - Order Instituting Rulemaking to establish policies and cost recovery mechanism for generation procurement and renewable resource development.

This decision grants, in part, Southern California Edison Company's Petition for Modification of D02-12-069.

(Comr Peevey - ALJ Halligan)

Outcome Signed

D03-12-003

Yes: (Brown, Kennedy, Peevey, Wood)

No: (none)

Abstain: (none)

Absent: (Lynch)

9

[2899]

A03-07-030 - Southern California Edison Company (SCE).

This decision grants SCE authority to issue \$3.0 billion Debt Securities and \$300 million Preferred Stock; some exemptions from the Competitive Bidding Rule. This proceeding is closed.

(Exam Jackson)

Agenda 3123, Item 7 11/13/2003 (Lynch)

Outcome Signed

D03-12-004

Yes: (Brown, Kennedy, Peevey, Wood)

No: (none)

Abstain: (none)

Absent: (Lynch)

10

[2906]

A00-07-031 - Pacific Gas and Electric Company (PG&E).

For certain findings regarding the settlement agreement and general release made May 1, 2000, by and between South San Joaquin Irrigation District and PG&E. This order dismisses PG&E's application without prejudice. This proceeding is closed.

(Comr Lynch - ALJ Econome)

Outcome Signed

D03-12-005

Yes: (Brown, Kennedy, Peevey, Wood)

No: (none)

Abstain: (none)

Absent: (Lynch)

12

[2936]

R02-11-039 - Rulemaking to implement the provisions of Public Utilities Code §761.3 enacted by Chapter 19 of the 2001-02 Second Extraordinary Legislative Session.

This decision involves Commission implementation and enforcement of Logbook Standards for thermal powerplants adopted by the California Electricity Generation Facilities Standards Committee pursuant to Pub. Util. Code §761.3. Within 30 days of the date this order is mailed (or 30 days of initial operation of a new facility), an authorized representative of each covered electricity generation facility shall file a verified statement with the Director of Consumer Protection and Safety Division (CPSD) regarding compliance with these orders. Covered facilities are 10 megawatts (MW) and larger, subject to several exceptions. The CPSD Director may modify this MW limit to reflect different objective criteria. Within 12 months, respondents shall file and serve an application that addresses implementation and enforcement of a common logbook format plus remote and secure access to logbook data in real time. The Executive Director shall file a notice of exemption regarding the California Environmental Quality Act.

(Comr Wood - ALJ Mattson)

Outcome Held (1/22/04, Regular Agenda. Possible alternate.)

Yes: (none)

No: (none)

Abstain: (none)

Absent: (none)

13

[2937]

Res W-4439 - California Water Service Company (CWSC), Los Altos-Suburban District.

This resolution authorizes CWSC, Los Altos-Suburban District an offset rate increase producing additional annual revenues of \$753,700 or 5.8% for increases in the cost of purchased water and pump tax. (Advice Letter 1554, filed September 3, 2003)

Outcome Approved

Yes: (Brown, Kennedy, Peevey, Wood)

No: (none)

Abstain: (none)

Absent: (Lynch)

14

[2946]

A03-08-002 - Pacific Gas and Electric Company (PG&E).

This decision grants PG&E's application pursuant to Pub. Util. Code §851 to sell a parcel of land to the Community Redevelopment Agency of the City of Union City, California. The decision finds that adequate attention has been paid to the environmental effects of the sale and related demolition and site remediation work and that the Commission need not do further analysis under the California Environmental Quality Act. The Commission determines that ratepayers and shareholders should each receive 50 percent of the gain on sale PG&E will realize upon conveyance of the property. This proceeding is closed.

(Comr Brown - ALJ Thomas)

Outcome Signed

D03-12-006

Yes: (Brown, Kennedy, Peevey, Wood)

No: (none)

Abstain: (none)

Absent: (Lynch)

15

[2949]

A03-05-035 - San Jose Water Company (SJWC).

Based on the provisions of Pub. Util. Code §455.2, this decision grants SJWC's request to establish interim rates for water service effective January 1, 2004. Such rates will be determined by increasing existing rates by the projected inflation rate for 2004, will be subject to refund and will be adjusted upward or downward, back to the effective date, consistent with the final rates adopted by the Commission in SJWC's pending general rate case proceeding.

(Comr Lynch - ALJ Fukutome)

Outcome Signed

D03-12-007

Yes: (Brown, Kennedy, Peevey, Wood)

No: (none)

Abstain: (none)

Absent: (Lynch)

16

[2950]

A02-11-028 - Pacific Gas and Electric Company (PG&E).

This decision grants PG&E's application for tariff revisions that would define the terms of a large (or noncore) customer's ability to switch from noncore gas service to core gas service. In order to protect core customers, PG&E is ordered to establish a cross-over rate for noncore customers who choose core service. This proceeding is closed.

(Comr Brown - ALJ Halligan)

Outcome Signed

D03-12-008

Yes: (Brown, Kennedy, Peevey, Wood)

No: (none)

Abstain: (none)

Absent: (Lynch)

17 (Rev.)

[2954]

Res T-16792 - Kerman Telephone Company (Kerman).

This resolution approves Kerman's request in Advice Letter Nos. 323, 323A, 323B, 323C, and 323D for authority to establish a New Promotional Campaigns schedule (Schedule A-6) to its tariff reflecting the offering of new or optional services during promotional periods with waived or discounted tariffed non-recurring charges. (Advice Letter (AL) 323, filed October 10, 2003. Supplemented by AL 323A, 323B, 323C and 323D, filed October 14, October 16, October 21, and October 30, 2003 respectively)

11/26/2003 - This revision was not shown on the Agenda mailed to the public.

Outcome Approved

Yes: (Brown, Kennedy, Peevey, Wood)

No: (none)

Abstain: (none)

Absent: (Lynch)

18

[2956]

Res T-16785 - Eden I & R, Inc. (Eden).

This resolution grants Eden authority to use the 2-1-1 dialing code for health and human services information and referral service in Alameda County.

Outcome Approved

Yes: (Brown, Kennedy, Peevey, Wood)

No: (none)

Abstain: (none)

Absent: (Lynch)

19

[2959]

R01-10-024 - Order Instituting Rulemaking to establish policies and cost recovery mechanisms for generation procurement and renewable resource development.

This decision awards the Natural Resources Defense Council \$9,005 in compensation for its contribution to D02-12-074.

(Comr Peevey - ALJ Walwyn)

Outcome Signed

D03-12-009

Yes: (Brown, Kennedy, Peevey, Wood)

No: (none)

Abstain: (none)

Absent: (Lynch)

20

[2960]

C99-01-039 - Greenlining Institute, Latino Issues Forum vs. Pacific Bell, Pacific Bell Information Services.

This decision clarifies D03-10-061, in which the Commission granted a petition by Greenlining Institute to modify a prior award of intervenor compensation. This proceeding is closed.

(Comr Wood - ALJ Vieth)

Outcome Signed

D03-12-010

Yes: (Brown, Kennedy, Peevey, Wood)

No: (none)

Abstain: (none)

Absent: (Lynch)

21

[2961]

I00-11-052 - Investigation on the Commission's own motion into the operations, practices, and conduct of Qwest Communications Corporation (Qwest), and its wholly-owned subsidiary, LCI International Telecommunications Corporation, dba Qwest Communications Services (LCIT) to determine whether Qwest and LCIT have violated the laws, rules and regulations governing the manner in which California consumers are switched from one long distance carrier to another and billed for long distance telephone services.

This decision clarifies D03-10-062, in which the Commission granted a petition by Greenlining Institute to modify a prior award of intervenor compensation. This proceeding is closed.

(Comr Wood - ALJ Econome)

Outcome Signed

D03-12-011

Yes: (Brown, Kennedy, Peevey, Wood)

No: (none)

Abstain: (none)

Absent: (Lynch)

22

[2966]

Res T-16791 - Verizon California Inc. (Verizon).

This resolution approves an Interconnection Agreement between Verizon and Global NAPs California, Inc. in accordance with the provisions of General Order 96-A and Resolution ALJ-181. (Advice Letter 10613, filed September 25, 2003)

Outcome Approved

Yes: (Brown, Kennedy, Peevey, Wood)

No: (none)

Abstain: (none)

Absent: (Lynch)

23

[2967]

Res T-16796 - Verizon California Inc. (Verizon).

This resolution approves an Interconnection Agreement between Verizon and Tel West Communications, LLS. in accordance with the provisions of General Order 96-A and Resolution ALJ-181. (Advice Letter 10619, filed September 30, 2003)

Outcome Approved

Yes: (Brown, Kennedy, Peevey, Wood)

No: (none)

Abstain: (none)

Absent: (Lynch)

24

[2968]

Res T-16797 - SBC California (SBC).

This resolution approves an Interconnection Agreement between SBC and Nevada Wireless, LLC in accordance with the provisions of General Order 96-A and Resolution ALJ-181. (Advice Letter 24244, filed September 29, 2003)

Outcome Approved

Yes: (Brown, Kennedy, Peevey, Wood)

No: (none)

Abstain: (none)

Absent: (Lynch)

25

[2975]

Res ST-66 - Los Angeles to Pasadena Metro Blue Line Construction Authority (PBLCA).

This resolution grants PBLCA authority, on behalf of Los Angeles County Metropolitan Transportation Authority, to deviate from the high platform station personnel-refuge area clearance requirements of General Order 143-B on the Pasadena Gold Line. It allows reduced unobstructed personnel-refuge area clearance at Chinatown Station Platform for track No. 1 without adversely affecting the safety function of the personnel-refuge area under the platform.

Outcome Approved

Yes: (Brown, Kennedy, Peevey, Wood)

No: (none)

Abstain: (none)

Absent: (Lynch)

26

[2999]

Res W-4442 - Del Oro Water Company, Magalia District.

This resolution authorizes Del Oro Water Company, Magalia District a general rate increase in rates producing \$29,668 or 21.2% in additional annual revenue.

Outcome Approved

Yes: (Brown, Kennedy, Peevey, Wood)

No: (none)

Abstain: (none)

Absent: (Lynch)

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- 27**
[3000] **Res W-4441 - Rio Plaza Water Company, Inc. (RPW).**
This resolution authorizes RPW a rate base offset of \$18,338 or 9.49% for capital improvements and an increase of \$1,560 or 0.8% for the recovery of an increase in pump assessments for a total annual revenue increase of \$19,898 or 10.29%. (Advice Letter 37-W, filed September 2, 2003)
Outcome Approved
Yes: (Brown, Kennedy, Peevey, Wood)
No: (none)
Abstain: (none)
Absent: (Lynch)
- 28**
[3001] **W-4440 - Little Bear Water Company, Inc. (LBWC).**
This resolution authorizes LBWC a surcharge for water testing costs producing an overall increase in annual revenues of \$4,086 or 1.14%. (Advice Letter No. 41, filed September 29, 2003)
Outcome Approved
Yes: (Brown, Kennedy, Peevey, Wood)
No: (none)
Abstain: (none)
Absent: (Lynch)
- 29**
[3006] **A00-11-038 - Southern California Edison Company.**
For authority to institute a rate stabilization plan with a rate increase and end of rate freeze tariffs. A00-11-056, A00-10-028, A99-01-016, A99-01-019, A99-01-034 - Related matters. This decision denies without prejudice The Utility Reform Network's pending request for compensation for legal fees and costs incurred in connection with judicial review of D99-10-057, D00-03-058, and D01-03-082.
(Comr Kennedy, Comr Lynch - ALJ Walwyn)
Outcome Held (12/18/03, Consent Agenda.)
Yes: (none)
No: (none)
Abstain: (none)
Absent: (none)
- 30**
[3007] **Res W-4443 - Kenwood Village Water Company (KVWC).**
This resolution authorizes KVWC a general rate increase producing additional annual revenue of \$42,240 or 22.6% in 2003.
Outcome Approved
Yes: (Brown, Kennedy, Peevey, Wood)
No: (none)
Abstain: (none)
Absent: (Lynch)
-

- 31**
[3008] **A03-09-035 - San Diego Gas & Electric Company (SDG&E).**
This decision grants SDG&E authority to issue \$660 million Debt Securities and \$80 million Preferred Stock; and approving its requested exemptions from the Competitive Bidding Rule. This proceeding is closed.
(Exam Clanon)
Outcome Held (1/8/04. Consent Agenda. Further review.)
Yes: (none)
No: (none)
Abstain: (none)
Absent: (none)
- 32**
[3010] **Res TL-19035 - SCX, Inc.**
This resolution grants request of SCX, Inc. to place its vessel common carrier certificate in voluntary suspension for a period of up to two years.
Outcome Approved
Yes: (Brown, Kennedy, Peevey, Wood)
No: (none)
Abstain: (none)
Absent: (Lynch)
- 33**
[3011] **A03-09-010 - Harjit S. Dhillon dba Quality Airport Service (Applicant).**
This decision authorizes Applicant to operate as a passenger stage corporation between points in Alameda, Santa Clara, San Mateo, Marin, Contra Costa, San Joaquin, and San Francisco Counties, and Oakland, San Francisco, and San Jose International Airports. This proceeding is closed.
(Exam Clark)
Outcome Signed
D03-12-012
Yes: (Brown, Kennedy, Peevey, Wood)
No: (none)
Abstain: (none)
Absent: (Lynch)
- 34**
[3012] **A03-09-038 - Inland Express Shuttle, Inc. (Applicant).**
This decision authorizes Applicant to increase fare for its on-call passenger stage service, and to establish a zone of rate freedom. This proceeding is closed.
(Exam Clark)
Outcome Signed
D03-12-013
Yes: (Brown, Kennedy, Peevey, Wood)
No: (none)
Abstain: (none)
Absent: (Lynch)

35

[3013]

Res E-3858 - SBC Pacific Bell (SBC).

This resolution grants SBC's request for deviation from California Pub. Util. Code Section 320 and authorizes SBC to add approximately 1200 feet of aerial cable along Highway 116 on existing telephone poles in Sonoma County from Foothill Drive to Monte Cristo Avenue. Highway 116 is within a county and state scenic corridor.

Outcome Approved

Yes: (Brown, Kennedy, Peevey, Wood)

No: (none)

Abstain: (none)

Absent: (Lynch)

36

[3025]

R99-10-025 - Order Instituting Rulemaking into distributed generation.

This decision grants \$20,962.47 to Utility Consumers' Action Network and \$13,418.75 to Natural Resources Defense Council, for substantial contributions to D03-02-068. The Utility Reform Network is awarded \$108,319.75 for its contributions to D01-07-027 and D03-02-068. This proceeding closed.

(Comr Lynch - ALJ Cooke)

Outcome Signed

D03-12-014

Yes: (Brown, Kennedy, Peevey, Wood)

No: (none)

Abstain: (none)

Absent: (Lynch)

Regular Agenda

Energy Orders

37

[2508]

A00-11-038 - Southern California Edison Company.

A00-11-056, A00-10-028, C02-02-027, A00-07-013 - Related matters. The rate control period implemented by Public Utilities Code § 368 ended on January 18, 2001. It is unnecessary to complete valuation of utility generation assets for the purpose of deciding the date the rate control period ended. Phase 2 of this rehearing proceeding will determine the extent and disposition of what were formerly known as uneconomic, transition or stranded costs. A00-07-013 (recovery of electric restructuring costs) is consolidated with Phase 2. The proceeding remains open.

(Comr Lynch - ALJ Mattson)

Agenda 3117, Item 92 8/21/2003 (Staff);

Agenda 3118, Item 29 9/4/2003 (Staff);

Agenda 3120, Item 31 10/2/2003 (Peevey)

Outcome Held (1/8/04. For alternate.)

Yes: (none)

No: (none)

Abstain: (none)

Absent: (none)

38

[2870]

R01-05-047 - Order Instituting Rulemaking on the Commission's own motion to determine whether baseline allowances for residential usage of gas and electricity should be revised.

This decision adopts a program whereby lower-middle income households may be exempt from Tier 3 electric surcharges, requires baseline quantities to be adjusted to exclude seasonal residence usage, requires that residential common area accounts be given the option to switch to commercial service, and requires utilities to update their rates, if needed, to comply with AB 1X. This proceeding is closed.

(Comr Brown - ALJ TerKeurst)

Agenda 3123, Item 32 11/13/2003 (Staff)

Outcome Held (12/18/03)

Yes: (none)

No: (none)

Abstain: (none)

Absent: (none)

39

[2656]

A00-11-038 - Southern California Edison Company.

For authority to institute a rate stabilization plan with a rate increase and end of rate freeze tariffs. A00-11-056, A00-10-028 - Related matters. This decision addresses the expanded registration of electric service providers (ESPs) as mandated by Assembly Bill (AB) 117. AB 117 requires the registration of all ESPs who offer electric service to customers in California. The decision also solicits comments on whether the ESP's deposit amount is sufficient to cover the reentry fees mentioned in AB 117.

(Comr Lynch - ALJ Wong)

Agenda 3120, Item 34 10/2/2003 (Peevey);

Agenda 3122, Item 33 10/30/2003 (Peevey)

Outcome Defeated

Yes: (Lynch, Wood)

No: (Brown, Kennedy, Peevey)

Abstain: (none)

Absent: (none)

39a

[2997]

ALTERNATE TO ITEM 2656

This alternate decision addresses the expanded registration of electric service providers (ESP's) as mandated by Assembly Bill (AB)117. AB117 requires the registration of all ESP's who offer electrical service to customers in California. Primarily, this alternate differs from the proposed decision of the assigned Administrative Law Judge in that it limits the fingerprinting requirement of ESP's that serve large customers to a designated corporate officer(s), upon approval of the Energy Division. Also, the alternate invites comments from interested parties on potential alternatives to the security deposit requirement for ESP's that serve large customers.

(Comr Peevey)

Agenda 3122, Item 33a 10/30/2003

Outcome Signed

D03-12-015

Yes: (Brown, Kennedy, Peevey)

No: (Lynch, Wood)

Abstain: (none)

Absent: (none)

40

[2881]

A02-02-012 - Southwest Gas Corporation.

For authority to increase rates in San Bernardino, Placer, El Dorado, and Nevada Counties. This decision grants increases of \$3.8 million in Southern California and \$3.8 million in Northern California. This proceeding is closed.

(Comr Peevey - ALJ DeBerry)

Outcome Held (1/8/04. For alternate.)

Yes: (none)

No: (none)

Abstain: (none)

Absent: (none)

41

[2882]

R02-01-011 - Order Instituting Rulemaking regarding the implementation of the suspension of direct access pursuant to Assembly 1X and D01-09-060.

This decision denies the Petition to Modify D03-04-057 filed by SBC Services, University of California/California State University, and California Large Energy Consumers Association, and also denies the Petition to Clarify D02-03-055 filed by Southern California Edison. The decision calls for additional comments to develop the record.

(Comr Brown, Comr Wood - ALJ Pulsifer)

Agenda 3123, Item 33 11/13/2003 (Staff)

Outcome Held (1/8/04. Further review.)

Yes: (none)

No: (none)

Abstain: (none)

Absent: (none)

42

[2910]

A03-05-012 - Pacific Gas and Electric Company (PG&E).

PG&E seeks Commission approval pursuant to Pub. Util. Code §851 of certain licenses and leases of PG&E property already in effect (the "agreements" or "transactions"). In total PG&E seeks approval of 256 transactions. Most of these agreements were entered into several years ago. Each permits various uses of PG&E property by third parties. The transactions did not have prior approval of the Commission pursuant to Pub. Util. Code §851. PG&E states that it discovered many of these agreements in various branch office files while conducting an extensive search in the PG&E bankruptcy proceeding. Because the 256 transactions may implicate environmental review or may not meet the criteria for General Order (GO) 69-C transactions, PG&E states that it decided it would be prudent to seek formal approval of the transactions under Section 851. In addition, PG&E asserts that Commission environmental review under the California Environmental Quality Act (CEQA) is unnecessary because the majority of the transactions fit within CEQA exemptions, nine received adequate local CEQA review, and six pre-date CEQA and are thus not subject to its requirements. This decision grants Section 851 approval for 255 of the transactions on a prospective basis. The Commission notes one of the transactions fits within recent Commission decisions finding agreements allowing floating boat docks as appropriate under GO 69-C. Therefore, Commission's approval here is not required. The decision declines to impose a penalty for failure to obtain prior approval of the transactions. With respect to CEQA, the Commission notes that because all of the agreements are several years old, any activity which may have warranted Commission's environmental review has long since occurred. Accordingly, Commission's CEQA review at this time has little value for practical purposes. Nevertheless, the Commission will address the CEQA issues raised by PG&E and determine where possible, the applicability of the claimed exemptions. This proceeding is closed.

(Comr Kennedy - ALJ Walker)

Outcome Held (1/22/04. Further consideration.)

Yes: (none)

No: (none)

Abstain: (none)

Absent: (none)

43

[2943]

A02-12-027 - Southern California Gas Company (SoCalGas).

For authority to update its gas revenue requirement and base rates. A02-12-028, I03-03-016 - Related matters. This decision grants with modification the motion of SoCalGas and San Diego Gas & Electric for interim rate relief. It allows both companies to establish memorandum accounts to track, subject to refund, the revenue shortfall or actual sales until the Phase 1 decision for test year 2004 revenue requirements.

(Comr Wood - ALJ Long)

Outcome Held (12/18/03. Further review.)

Yes: (none)

No: (none)

Abstain: (none)

Absent: (none)

44

[2953]

A03-07-002 - Sierra Pacific Power Company (Sierra Pacific).

A03-07-003, A03-07-014, A03-07-017, A03-07-019 - Related matters. This decision adopts 2004 funding levels and performance targets for the low-income energy efficiency (LIEE) programs administered by Alpine Natural Gas Company, Avista Utilities, Bear Valley Electric Service Company, PacifiCorp and Sierra Pacific. The decision also directs these utilities to file 2005 program plans for their LIEE and California Alternate Rate for Energy (CARE) programs by July 1, 2004 for consideration. West Coast Gas Company is also required to file its application for PY2005 CARE program by July 1, and include updated information on whether its housing stock continues to meet Title 20 and Title 24 energy efficiency standards. These proceedings are closed.

(Comr Wood - ALJ Gottstein)

Outcome Signed

D03-12-016

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

No: (none)

Abstain: (none)

Absent: (none)

45

[2955]

R02-06-041 - Order Instituting Rulemaking to require California Natural Gas and Electric Utilities to preserve interstate pipeline capacity to California.

This decision establishes cost allocation methodologies for Pacific Gas and Electric Company, Southern California Gas Company, Southern California Edison Company, Southwest Gas Corporation, and San Diego Gas & Electric Company for the costs of the turned back capacity on El Paso Natural Gas Company's interstate pipeline that the utilities were ordered to procure pursuant to D02-07-037. This proceeding is closed.

(Comr Lynch - ALJ Brown)

Outcome Held (12/18/03)

Yes: (none)

No: (none)

Abstain: (none)

Absent: (none)

46

[2958]

A01-06-041 - Sierra Pacific Power Company (Sierra).

This decision grants Sierra a rate increase of \$3.02 million based on a settlement agreement of the parties. It increases rates by 8.8% to all customer classes except large commercial, which get no increase because their marginal costs are significantly below their current revenue allocation. This proceeding is closed.

(Comr Lynch - ALJ Barnett)

Outcome Held (12/18/03)

Yes: (none)

No: (none)

Abstain: (none)

Absent: (none)

47

[3003]

I01-08-029 - Order Instituting Investigation into Southern California Edison Company's electric line construction, operation, and maintenance practices. Southern California Edison Company (Edison), Respondent.

This decision fines Edison a total of \$576,000, primarily for 25 violations of the Commission's General Order (GO) 95 and GO 128 specifying the requirements for the construction, operation, and maintenance of overhead and underground utility systems. The decision fines Edison \$20,000 for each of these 25 violations that have a nexus with an accident involving death, injury, or property damage. It also fines Edison \$1,000 for each of 56 violations of GO 165 for failure to identify unsafe conditions and \$20,000 for one violation for exceeding GO 165's inspection intervals. This decision also grants the intervention of the California Cable and Telecommunications Association (CCTA), Pacific Gas and Electric Company (PG&E), and San Diego Gas & Electric Company (SDG&E). It also considers and rejects the appeals to the presiding officer's decision of Edison, the Commission's Consumer Protection and Safety Division, CCTA, P&GE, and SDG&E. This proceeding is closed.

(Comr Kennedy - ALJ Econome)

Outcome Held (1/22/04. For alternate.)

Yes: (none)

No: (none)

Abstain: (none)

Absent: (none)

81 (Rev.)

[2865]

A02-12-033 - Pacific Gas and Electric Company and William L. Brickner.

For an Order authorizing the sale and conveyance of a certain parcel of land in Alameda County pursuant to the Public Utilities Code Section 851. This decision approves transfer of transmission-related property but declines to assign "gain-on-sale" proceeds. This proceeding is closed.

(Comr Brown - ALJ Thorson)

Agenda 3123, Item 6 11/13/2003 (Lynch)

12/03/2003 - This item appeared as (5) under Consent Agenda/Orders and Resolutions section on the agenda distributed to the public.

Outcome Held (12/18/03)

Yes: (none)

No: (none)

Abstain: (none)

Absent: (none)

Energy Resolutions and Written Reports
48 **Res E-3843 - Pacific Gas and Electric Company (PG&E), Southern California Edison Company (SCE), and San Diego Gas & Electric Company (SDG&E).**
 [2610]

PG&E, SCE, SDG&E filed tariff changes to implement the rules governing the rights and obligations of Direct Access (DA) customers to switch between bundled and DA service, as adopted in D03-05-034, the "Switching Order". Approved. (PG&E Advice Letter (AL) 2393-E, SCE AL 1717-E, and SDG&E AL 1508-E, filed June 23, 2003)

Agenda 3119, Item 36 9/18/2003 (Staff);

Agenda 3120, Item 41 10/2/2003 (Wood);

Agenda 3122, Item 35 10/30/2003 (Wood);

Agenda 3123, Item 34 11/13/2003 (Staff)

Outcome Approved (Comr. Wood will file a dissent.)

Yes: (Brown, Kennedy, Peevey)

No: (Lynch, Wood)

Abstain: (none)

Absent: (none)

48a **ALTERNATE TO ITEM 2610**
 [2890]

PG&E, SCE, SDG&E filed tariff changes to implement rules governing the rights and obligations of Direct Access (DA) customers to switch between bundled and DA service, as adopted in D03-05-034, the "Switching Order". Approved, with modifications. (PG&E Advice Letter (AL) 2393-E, SCE AL 1717-E, and SDG&E AL 1508-E, filed June 23, 2003)
 (Comr Wood)

Agenda 3122, Item 35a 10/30/2003 (Wood);

Agenda 3123, Item 34a 11/13/2003 (Staff)

Outcome Withdrawn

Yes: (none)

No: (none)

Abstain: (none)

Absent: (none)

49 **Res E-3814 - Southern California Edison Company (SCE).**
 [2891]

SCE seeks Commission approval of one power purchase agreement contributing toward procurement of at least an additional one percent of the utility's annual electric sales from renewable energy resources irrespective of the utility's residual net short. (Advice Letter 1680-E, filed January 14, 2003)

Agenda 3122, Item 36 10/30/2003 (Lynch);

Agenda 3123, Item 36 11/13/2003 (Staff)

Outcome Withdrawn

Yes: (none)

No: (none)

Abstain: (none)

Absent: (none)

49a

[2892]

ALTERNATE TO ITEM 2891

This alternate differs from the proposed Energy Division Resolution in that it approves one power purchase agreement which Southern California Edison (SCE) requests to enter into in 2003 to contribute toward procurement of at least one percent of the utility's annual electric sales from renewable energy resources.

(Comr Wood)

Agenda 3122, Item 36a 10/30/2003 (Lynch);

Agenda 3123, Item 36a 11/13/2003 (Staff)

Outcome Approved

Yes: (Kennedy, Peevey, Wood)

No: (Brown)

Abstain: (Lynch)

Absent: (none)

50

[2919]

Res E-3852 - Pacific Gas and Electric Company (PG&E).

This resolution denies PG&E's request to reimburse the California Department of Water Resources for payments for PG&E's renewable transitional procurement contracts on a monthly basis for actual costs incurred. (Advice Letter 2354-E, filed March 10, 2003)

Outcome Held (12/18/03)

Yes: (none)

No: (none)

Abstain: (none)

Absent: (none)

51

[2945]

Res G-3354 - Pacific Gas and Electric Company (PG&E), Southern California Edison (Edison), San Diego Gas & Electric Company (SDG&E), Southern California Gas Company (SoCalGas), and Southwest Gas Corporation (SWG).

PG&E, Edison, SDG&E, SoCalGas, and SWG request tariff revisions to reflect a decrease in the Income Tax Component of Contribution associated with Contributions in Aid of Construction. (PG&E Advice Letter (AL) 2466-G/2386-E, filed June 6, 2003, Edison AL 1715-E, filed June 19, 2003, Edison AL 120-G, filed June 19, 2003, SDG&E AL 1505-E/1382-G, filed June 11, 2003, SoCalGas AL 3267, filed June 12, 2003, SWG AL 692, filed July 14, 2003)

Outcome Held (12/18/03)

Yes: (none)

No: (none)

Abstain: (none)

Absent: (none)

52

[2979]

Res E-3857 - Pacific Gas and Electric Company (PG&E).

PG&E requests approval of procurement contracts for up to fifty percent of PG&E's 2004 non-baseload net open position as authorized in D03-08-066.

(Advice Letter 2427-E, filed September 30, 2003)

Outcome Held (12/18/03)

Yes: (none)

No: (none)

Abstain: (none)

Absent: (none)

Telecommunication Orders**53**

[2513]

R00-02-004 - Order Instituting Rulemaking on the Commission's own motion to establish consumer rights and consumer protection rules applicable to all telecommunications utilities.

The Commission adopts General Order No. ###, Rules Governing Telecommunications Consumer Protection, applicable to all Commission-regulated telecommunications utilities. G.O. ### sets forth: in Part 1, a telecommunications consumers' Bill of Rights; in Part 2, a set of Consumer Protection Rules all carriers must follow to protect those rights; in Part 3, Rules Governing Billing for Non-communications-Related Charges; and in Part 4, Rules Governing Slamming Complaints. The proceeding remains open to consider changes to the current limitation of liability provisions, rules protecting non-English speaking consumers, and a telecommunications consumer education program. (Comr Wood - ALJ McVicar)

Agenda 3119, Item 40 9/18/2003 (Staff);

Agenda 3120, Item 45 10/2/2003 (Brown);

Agenda 3122, Item 38 10/30/2003 (Brown)

Outcome Held (12/18/03. Further review.)

Yes: (none)

No: (none)

Abstain: (none)

Absent: (none)

54

[2571]

A99-03-025 - Roseville Telephone Company (Roseville).

On May 3, 2002, Roseville filed a petition to modify D01-06-077. Specifically, it asks to remove the requirement to share 50% of its earnings between the benchmark rate of return and the ceiling rate of return. This decision denies the petition and also requires Roseville to file for its next NRF review no later than 90 days after a final decision in Rulemaking 01-09-001 and Investigation 01-09-002, the NRF reviews for Pacific Bell Telephone Company and Verizon California Incorporated. This proceeding is closed.

(Comr Lynch - ALJ O'Donnell)

Agenda 3118, Item 42 9/4/2003 (Kennedy);

Agenda 3120, Item 46 10/2/2003 (Kennedy);

Agenda 3122, Item 39 10/30/2003 (Brown);

Agenda 3123, Item 39 11/13/2003 (Lynch)

Outcome Held (12/18/03. Further review.)

Yes: (none)

No: (none)

Abstain: (none)

Absent: (none)

54a

[2880]

ALTERNATE TO ITEM 2571

This alternate grants Roseville's petition to modify. This proceeding is closed.

(Comr Kennedy)

Agenda 3122, Item 39a 10/30/2003 (Brown);

Agenda 3123, Item 39a 11/13/2003 (Lynch)

Outcome Held (12/18/03. Further review.)

Yes: (none)

No: (none)

Abstain: (none)

Absent: (none)

55

[2893]

A03-06-031 - SBC Pacific Bell Telephone Company (SBC).

This decision allows SBC to enter into a revocable license with its affiliate SBC Services, Inc. for use of vacant space SBC owns at 39 Beta Court in San Ramon, California. The decision finds that SBC is not required to file an application pursuant to Public Utilities Code § 851 for permission to license the space, but rather may enter into the revocable license without Commission approval under the Commission's General Order 69-C. This proceeding is closed.

(Comr Peevey - ALJ Thomas)

Outcome Held (1/8/04. Further review.)

Yes: (none)

No: (none)

Abstain: (none)

Absent: (none)

56

[2931]

C02-11-053 - Pasadena Neighborhood Coalition vs. Altrio Communications, Inc. (Altrio).

Defendant Altrio has violated the terms of the Limited Facilities-Based Certificate of Public Convenience and Necessity (LFB CPCN) that was granted in D01-07-022. Altrio may not provide telephone service over its Open Video System network beyond its initial Pasadena hub unless it has obtained a full facilities-based CPCN. This proceeding is closed.

(Comr Brown - ALJ Simon)

Agenda 3123, Item 43 11/13/2003 (Lynch)

Outcome Held (12/18/03. Further review.)

Yes: (none)

No: (none)

Abstain: (none)

Absent: (none)

83 (Rev.)

[2605]

A03-02-001 - Zephyr Communications, L.L.C. (Applicant).

This decision grants Applicant a certificate of public convenience and necessity under Pub. Util. Code § 1001 to provide local exchange, resold intraLATA and InterLATA telephone service, and hi-speed data services. This proceeding is closed.

(Comr Brown - ALJ Bemederfer)

Agenda 3119, Item 7 9/18/2003 (Wood);

Agenda 3120, Item 4 10/2/2003 (Brown);

Agenda 3121, Item 3 10/16/2003 (Wood);

Agenda 3122, Item 1 10/30/2003 (Staff);

Agenda 3123, Item 1 11/13/2003 (Brown)

12/03/2003 - This item appeared as (1) under Consent Agenda/Orders and Resolutions section on the agenda distributed to the public.

Outcome Signed (Comr. Wood will file a dissesnt.)

D03-12-017

Yes: (Brown, Kennedy, Lynch, Peevey)

No: (Wood)

Abstain: (none)

Absent: (none)

Water/Sewer Orders**82 (Rev.)****A03-05-034 - Watertek, Inc.**

[2911]

Watertek, Inc., a family water service company, seeks Commission authorization to sell and transfer ownership of three small water systems, two of them near Porterville and one near Fresno. The prospective purchasers are experienced water system operators who have been operating the three water systems on a contract basis since April 2003. The Commission's Water Division has investigated the proposed transfer and recommends approval. The application is granted. This proceeding is closed.

(Comr Brown - ALJ Walker)

Agenda 3123, Item 15 11/13/2003 (Lynch)

12/03/2003 - This item appeared as (11) under Consent Agenda/Orders and Resolutions section on the agenda distributed to the public.

Outcome Held (12/18/03, Consent Agenda. Further review.)

Yes: (none)

No: (none)

Abstain: (none)

Absent: (none)

Transportation/Rail Safety Orders

57

[2924]

A01-09-012 - City of San Diego.

This decision grants City of San Diego's request to close the Eighth Avenue crossing and conditionally approves a new at-grade crossing on Park Blvd. This proceeding is closed.

(Comr Brown - ALJ Bushey)

Outcome Signed (Comr. Lynch will file a concurrence.)

D03-12-018

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

No: (none)

Abstain: (none)

Absent: (none)

Commissioner's Reports

58

Commissioners' Report

[2795]

Miscellaneous Commissioners' reports.

Outcome Information Only

Yes: (none)

No: (none)

Abstain: (none)

Absent: (none)

Management Reports and Resolutions

59

Management Reports

[2796]

Miscellaneous Management reports.

Outcome Information Only (Bureau of State Auditors's report regarding the timeliness of the CPUC's decision-making processes.)

Yes: (none)

No: (none)

Abstain: (none)

Absent: (none)

Closed Session

This notice is furnished under Government Code Sections 11125 and 11126.3. The Commission will meet in Closed Session following the Public Session of its regularly scheduled meeting. In the Closed Session, the Commission may consider personnel matters as provided under Government Code Section 11126(a), institution of proceedings or disciplinary actions against any person or entity under the jurisdiction of the Commission as provided under Government Code Sections 11126(d)(2) and 11126(e)(2)(C)(i), and pending litigation as provided under Government Code Section 11126(e). Additional items may be added to the closed session agenda pursuant to Gov. Code Section 11126.3(d). If in Closed Session the Commission votes to appoint, employ, or dismiss a public employee, the Commission will thereafter reconvene in Open Session to make the

Non-Federal

61

[2935]

R01-05-046 - Conference with Legal Counsel - Application for Rehearing

Disposes of the application for rehearing of decision D03-08-012 filed by the Greenlining Institute and Latino Issues Forum (Greenlining/LIF). D03-08-012 awarded intervenor compensation to the National Council of La Raza, the Southern Christian Leadership Conference and the California Rural Indian Health Board (jointly, La Raza). It denied the request of Greenlining/LIF for intervenor compensation in this proceeding.

Agenda 3123, Item 58 11/13/2003 (Staff)

Outcome Signed

D03-12-019

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

No: (none)

Abstain: (none)

Absent: (none)

62

[2939]

A02-03-059 - Conference with Legal Counsel – Application for Rehearing

Disposition of the application for rehearing of D03-05-031 filed by Pac-West Telecomm (Pac-West.) D03-05-031 modified and approved the arbitrated interconnection agreement (ICA) filed by Pacific Telephone Company (SBC) and Pac-West pursuant to subsection 252(e) of the Telecommunications Act of 1996 (Act). In D03-05-031, the Commission found that the ICA did not violate the requirements of subsection 252(d) of the Act. However, the Commission determined that a finding in the Final Arbitrator's Report of the ICA between Pac-West and SBC was inconsistent with Commission policy established in prior ICA cases, and therefore, the Commission modified that finding.

Agenda 3123, Item 59 11/13/2003 (Staff)

Outcome Signed

D03-12-020

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

No: (none)

Abstain: (none)

Absent: (none)

63

[2940]

A02-06-024 - Conference with Legal Counsel – Application for Rehearing

Disposition of the application for rehearing of D03-05-075 filed by Pac-West Telecomm (Pac-West.) D03-05-075 approved the arbitrated interconnection agreement (ICA) filed by Verizon California, Inc. (Verizon) and Pac-West pursuant to subsection 252(e) of the Telecommunications Act of 1996 (Act). In D03-05-075, the Commission found that the ICA did not violate the requirements of Section 251 of the Act, the Federal Communications Commission's (FCC) implementing regulations, or the pricing standards set forth in subsection 252(d) of the Act. However, the Commission determined that a finding in the Final Arbitrator's Report of the ICA between Pac-West and Verizon was inconsistent with Commission policy established in prior ICA cases, and therefore, the Commission modified that finding.

Agenda 3123, Item 60 11/13/2003 (Staff)

Outcome Signed

D03-12-021

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

No: (none)

Abstain: (none)

Absent: (none)

64

[2963]

A99-12-013 - Conference with Legal Counsel – Application for Rehearing

Disposition of Application for Rehearing of D00-05-008, filed by Southern California Edison Company, concerning the Commission's Public Utilities Code Section 851 approval of Edison's application to sell certain electric metering and metering-related facilities to the City of Anaheim.

Outcome Signed

D03-12-022

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

No: (none)

Abstain: (none)

Absent: (none)

65

[3014]

R02-11-039 - Conference with Legal Counsel – Application for Rehearing

Order disposing of applications for rehearing of D03-09-002 filed by AES Alamosa, LLC, et al. (AES) and Mirant Delta, LLC, et al. (Mirant) D03-09-002 was issued in the rulemaking to implement the provisions of Public Utilities Code Section 761.3, which directs the Commission to implement and enforce standards for the maintenance and operation of electric generation facilities. In D03-09-002, the Commission named additional respondents to the proceeding. AES and Mirant were originally named as respondents, and were not added by this decision. However, AES and Mirant contend that the decision mischaracterizes their appearances before the Commission. AES and Mirant are requesting modification of the decision to reflect that they have objected to being named respondents and that they entered voluntary appearances as interested parties.

Outcome Signed

D03-12-023

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

No: (none)

Abstain: (none)

Absent: (none)

66

[3015]

A02-02-024 - Conference with Legal Counsel – Application for rehearing

Disposition of Application for Rehearing of Resolution E-3765 filed by The Utility Reform Network. Resolution E-3765 was issued by the Commission on January 24, 2002 and granted, with some modifications, Southern California Edison Company's (SCE) request for approval of the Procurement Related Obligations Account to implement the October 2, 2001 Settlement Agreement between SCE and the Commission.

Outcome Held (1/8/04. Further review.)

Yes: (none)

No: (none)

Abstain: (none)

Absent: (none)

67

[3017]

R.01-08-028 - Conference with Legal Counsel – Application for Rehearing

Disposition of Applications for Rehearing of D3-07-037 filed by Women’s Energy Matters (WEM) and Residential Energy Service Companies’ United Effort; WEM has also filed a request for oral argument and motion for stay. R01-08-028 examines the Commission’s future energy efficiency policies, administration and programs. In the fall of 2002, the California Legislature passed AB 117, authorizing any city, county or city and county, to aggregate the electrical loads of local customers. Such entities are designated: “Community Choice Aggregators” (CCA). AB 117 also added sections to the Public Utilities Code directing the Commission to establish policies and procedures by which any party, including a CCA, may apply to administer cost-effective energy efficiency and conservation programs. D03-07-034 is an interim decision. D03-07-034 is limited to issues regarding energy efficiency program fund disbursements. Among other things, D03-07-034 adopted skeletal rules for implementing provisions of AB 117 for energy efficiency program fund disbursements.

Outcome Held (12/18/03. Further review.)

Yes: (none)

No: (none)

Abstain: (none)

Absent: (none)

68

[3018]

R01-10-024 - Conference with Legal Counsel – Application for Rehearing

Disposition of applications for rehearing of D03-06-071 filed by Pacific Gas and Electric Company and Southern California Edison Company. In D03-06-071, the Commission initiated implementation of Senate Bill 1708, which established the California Renewables Portfolio Standard Program.

Outcome Held (12/18/03)

Yes: (none)

No: (none)

Abstain: (none)

Absent: (none)